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**Center for Aging Policy**

## **National Association of Area Agencies on Aging**

927 15th STREET, NW, SUITE 600  
WASHINGTON, DC 20005  
Ph: (202) 296-8130  
Fax: (202) 296-8134



*Advocacy. Action. Answers on Aging.*

# **RESPONSE TO Senate and House Prescription Drug Benefit Proposals**

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**CONTACT: Shawn McDermott  
(202) 296-8130**

**WASHINGTON, D.C.—** As both chambers of Congress push to pass bills that would add a prescription drug benefit to the Medicare program before the July 4 recess, the National Association of Area Agencies on Aging (n4a) and the Center for Aging Policy (CAP) expressed their concerns about the content of the bills and the speed at which they are moving. “We are pleased to see Congress focusing on this important issue, but we caution both chambers to truly consider whether the measures meet the needs of older Americans and urge them not to rush to meet an arbitrary deadline for passage,” stated Sandra Markwood, Chief Executive Officer of n4a. “As the measures currently stand”, Markwood went on to say, “they fall short of meeting what n4a and CAP consider essential in a Medicare prescription drug benefit.” n4a and CAP believe that Medicare should provide guaranteed benefits that are affordable and accessible to all beneficiaries regardless of age, income or health status. “We are committed to making sure that the more than 15 million Medicare beneficiaries who have no prescription drug coverage, and the millions who lack adequate coverage, get the relief they have been promised,” said Markwood.

“Unless a government-based benefit with set premiums and deductibles is available in every region across the country, there are no guarantees of a meaningful benefit for Medicare recipients”, said Janice Jackson, Director of the Center for Aging Policy. “Relying on private insurers to provide drug benefits has numerous pitfalls: It erodes government purchasing power; creates the potential for disparate premiums; deductibles and benefits across

geographic regions; and leaves beneficiaries vulnerable to losing coverage at any point that the private plan decides to pull out of an area”, Jackson added.

“As Area Agencies on Aging, we are responsible for educating and helping older citizens make health care decisions,” said Robert McFalls, n4a President and Executive Director of the Aging Commission of the Mid-South in Memphis, TN, “and we would have a very tough time trying to determine just how beneficial either of the proposed plans would be for the average senior citizen.” Referring to the gap in coverage that occurs when seniors continue to pay monthly premiums but have to pay 100% of the cost of their prescription drugs costs, McFalls said that “The donut hole that currently exists in both the House and Senate bills makes it hard to ‘sell’ this as a benefit to a senior with several chronic conditions who needs to take numerous prescriptions and who could find himself or herself without assistance when they need it most.” n4a and CAP also expressed concerns about the delayed implementation of the plan (2006); the denial of coverage under Medicare for individuals who are “dually eligible” in the Senate plan; the lack of containment measures to reign in prescription drugs costs; and the House provision that would require fee-for-service providers to competitively bid for Medicare beneficiaries starting in 2010.

“As advocates for older adults, our two organizations will be working hard to get the best possible bill out of any conference,” stated Jackson, adding that “Quite a few more steps need to be taken before a meaningful benefit emerges that truly provides relief to every Medicare beneficiary who is struggling with the cost of prescription drugs.”

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The National Association of Area Agencies on Aging (n4a) represents the interests of 655 Area Agencies on Aging (AAAs) and is the representative body in Washington, D.C., for the interests of 230 Title VI Native American aging programs in the U.S. Through its presence in Washington, n4a advocates on behalf of its member agencies for enhanced services and resources for seniors and persons with disabilities in local communities.

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The Center for Aging Policy (CAP) was incorporated in 1984 as the 501(c)(4) private nonprofit legislative advocacy arm of n4a. Cap’s mission is to advocate at the national, state and local levels for older adults and their families in order to achieve a reasonable and realistic policy on aging.